

Approved
MINUTES
UTAH SOIL CONSERVATION COMMISSION (USCC) MEETING
March 17, 2003
St George, Utah

ATTENDANCE

Chairman (Standing USCC Ex-officio):

Cary G. Peterson, *Commissioner, Utah Department of Agriculture and Food*

Appointed Soil Conservation District (SCD)

Supervisor USCC Members:

Paul Leishman, *Zone 1*

Dee Waldron, *Zone 2*

Richard L. Saunders, *Zone 3*

Chad Anderson, *Zone 4 Acting Alternate*

Ralph Staheli, *Zone 5*

Willard "Bill" Rasmussen, *Zone 6*

Lyle Bryner, *Zone 7*

Appointed SCD Alternate USCC Members:

Hylton Haueter, *Zone 3*

Allen Henrie, *Zone 5*

Edward Bench Jr, *Zone 6*

Standing Ex-Officio USCC Members:

Larry Johnson, *President, Utah Association of Conservation Districts (UACD)*

Sherman Hoskins, *Deputy Director, Utah Dept. Natural Resources*

Dr. Phillip Rasmussen, *UT State University Extension (USU)*

Mike Reichert *for Don Ostler, Water Quality Division, Utah Department of Environmental Quality*

Conservation Partners Representatives:

Gordon Younker, *Executive Vice President UACD*

(Partners Continued)

A. J. Martinez, *Bureau of Land Management, USDI*

Boyd Critchfield, *Farm Service Agency*

Joe Hill, *Farm Service Agency*

Ken Mills, *Zone 2 Coordinator, UACD*

Ray Loveless, *Zone 3 Coordinator, UACD*

David Pace, *Zone 4 Coordinator, UACD*

Tyce Palmer, *Zone 5 Coordinator, UACD*

Hal Lemon, *Zone 7 Coordinator, UACD*

Commission Staff Support from the Utah

Department of Agriculture and Food:

K. N. "Jake" Jacobson, *USCC Admin. Officer, M&CD*

Sherie Edginton, *USCC Secretary, M&CD*

Koy Page, *Ag Loan Administrator, Agricultural Loans Section, M&CD*

Dick Sandberg, *Loan Specialist, Agricultural Loans Section, M&CD*

George Hopkin, *Chief of Environmental Quality*

Mark Quilter, *Ground Water Specialist*

Guests:

Kevin Creer, *UACD*

Troy Forrest, *UACD*

Val Warnich, *UACD*

Karl A Kler, *Assistant State Conservationist, NRCS*

George Burbidge, *Weber County*

Steve Robertson, *US Forest Service*

SUMMARY OF COMMISSION ACTIONS

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| 1. | The <u>Minutes</u> of the January 29, 2003 USCC meeting approved. | <u>Page 2</u> |
| 2. | Approval of a <u>loan application for Dale & Becky Rasmussen</u> | <u>Page 4</u> |
| 3. | Approval <u>FY04 USCC Budget</u> | <u>Page 5</u> |
| 4. | Approval for <u>FY04 Statewide TA Funds</u> | <u>Page 5</u> |
| 5. | Approval of <u>Equal Allocations for Remaining TA Funds</u> | <u>Page 5</u> |

CALL TO ORDER

Commissioner Cary Peterson called the meeting to order at 2:03 PM.

APPROVAL OF NOVEMBER MEETING MINUTES & USCC MEMBERSHIP ACTION

Draft minutes of the January 29, 2003 USCC meeting were distributed in advance with this meeting notice either by U.S. Mail or email. Commissioner Peterson asked for action on these minutes. **The motion was made by Mr. Paul Leishman to approve the January 2003 meeting minutes as distributed. Seconded by Mr. Lyle Bryner. It passed by unanimous voice vote.**

Mr. Jake Jacobson reported on the appointment of Paul Leishman as the Soil Conservation Commission member representative from Zone 1. Mr. S. Bruce Karren, from the North Cache SCD Zone 1, was recently elected as a UACD Zone Director replacing the position vacated by Larry Johnson's election as UACD President. Mr. Karren's name will be submitted to the Governors' Office for appointment as the Zone 1 alternate member.

CHAIRMAN'S REPORT

Commissioner Cary Peterson invited everyone to attend the Water Users Conference, being held at the Dixie Center, Tuesday and Wednesday, March 18 and 19.

He handed out a flowchart showing distribution of the State's 1/16-cent sales tax that goes to water and road projects for 2003 and 2004 fiscal years. One of the actions taken by the recently completed Legislature was to put a cap on the 1/16 sales tax at a \$17.5 million. Even if the amount of money collected from the 1/16 cent sales tax grows larger the amount given to water and roads would remain the same.

He reported on the drought effects nation wide, which costs agriculture and other industries such as tourism between 6 – 8 billion dollars. The devastation from drought outweighs any other natural disaster.

The Legislature reduced UDAF FY04 budget 4-½%, which included program cuts. There were 3 programs eliminated from UDAF. This included \$200,000.00 for ag related research funds, monies for the purchase of development rights for ag conservation easements and the Market News program which reports commodity prices.

Utah government health officials warn that West Nile Virus will be in Utah this year, carried here by migratory birds. There is a vaccine for horses but not for people.

ISSUE UPDATES

UPPER SEVIER RIVER WATERSHED PROJECT IMPLEMENTATION UPDATE

Mr. Allen Henrie circulated a handout on the Upper Sevier River Watershed Project. This project was initiated by the Upper Sevier Soil Conservation District in the fall of 1998. The Sevier River is one of the most used water sources in the nation, and is on the EPA 303d list. A watershed plan has been developed, the name of the plan is the "Upper Sevier River Community Watershed Plan, with most of the sub watershed unit assessments completed. The watershed is currently one of 12 projects nationally funded by the USDA Forest Service as a USDA large-scale watershed restoration project. There have been four EPA NPS 319 funded demonstration projects approved and two 319 I&E project contracts approved to date on the Upper Sevier River Watershed.

Mr. Steve Robertson, Dixie Forest US Forest Service, reported that there are between 700,000-800,000 acres in the Upper Sevier Watershed. The watershed partners are developing a local watershed coordinator position to assist the district and steering committee in managing the watershed project and keeping its momentum going into the future by keeping watershed partnerships strong, finding and managing funding sources, and

coordinating watershed projects across ownership boundaries. Funding sources to initially start the position include watershed coordination/water quality grant from DEQ/DWQ, Dixie National Forest partnership agreement funds, 319 NPS I&E grant, and possible NRCS outsourcing funds. He also told of a website that details the work done on the Upper Sevier River.

NRCS-UT FYO3 CONSERVATION FUNDING AND PLANS TO TRACK AND REPORT ON PROJECT IMPLEMENTATION

Mr. Karl Kler, Assistant State Conservationist - Programs, reported the EQIP funding has been set at \$175 million nationally. The Conservation Security "Green" program rewards farmers/ranchers to manage their land and continue conservation projects. WHIP funding has increased. Actual money to be distributed will depend on the national security situation.

Mr. Kler gave a short history of when different conservation funding programs start: 1971 ACP program began, 1975-76 is when the ARDL loan program was implemented, the first Farm Bill was passed in 1994 and in 1997 EQIP and WHIP programs began. Senators were able to attached amendments to the Omnibus Bill adding \$500 million to the existing bill, which will be coming to Utah.

Mr. Kler indicated that over the past decade or so Congress has required more accountability for Federal conservation funding. NRCS has responded to this by developing various program and project tracking systems. Currently the major project tracking system is the Performance and Results Measurement System (PRMS). This system has been developed so all of a state's conservation projects can be tracked. NRCS-UT has worked with UACD to have their project planning efforts entered into the system. It is a priority of Skip Nelson, NRCS-UT State Conservationist, to have all conservation work in Utah entered into the system regardless of the source of funding. Thus, Skip offers to any of the State conservation partners to join with NRCS-UT in utilizing PRMS.

CONSERVATION PARTNERS UPDATE

SCD/ZONE 5

Mr. Ralph Staheli handed out a report on the accomplishments of Zone 5 in the past year. Beaver and Upper Sevier SCDs have several conservation projects on the ground.

UTAH ASSOCIATION OF CONSERVATION DISTRICTS (UACD)

Mr. Bill Rasmussen, Zone 6, reported that Larry Johnson, UACD President is in Washington DC at NACD meetings and lobbying Congress on behalf of natural resources conservation in Utah. UACD is deciding what roll they will play, as well as the SCDs, in the new Farm bill, with getting conservation projects on the ground.

He reported that there were around 1,400 conservationists recently at the NACD Annual Conference in Orlando FL, with 33-35 representatives from Utah. The new NRCS Chief Bruce Knight stressed the importance of accountability of NRCS and the SCDs to do the best job they can to get conservation projects on the ground. The 2004 NACD Annual Conference will be in Hawaii.

New NACD leadership is as follows: Gary Mast was elected President, Billy Wilson is 1st Vice President, Tim Rice is the 2nd Vice President, Secretary/Treasurer is Mark Curtis. The out going President is Reed Smith.

UTAH DEPARTMENT OF AGRICULTURE AND FOOD (UDAF)

Mr. George Hopkin reported on UDAF Marketing and Conservation activities for Randy Parker who was in Tokyo and Korea doing marketing. He reported that Market News would no longer be distributed from UDAF. The information that is printed in the Market News will now come from other sources such as USDA.

\$82,000.00 is left in the USCC State funded AFO/CAFO account to be distributed. There is enough owing on contracts that will deplete the remaining funds by June 30. There will be new money coming from the Farm Bill that will keep the momentum going on AFO/CAFO projects.

The 2003 fall Utah NPS conference is planned to be held at Bear Lake in the first week of September. The planning committee would like to sponsor a BBQ with all three-state conservation agencies that the Bear River Watershed encompasses.

USDA FARM SERVICE AGENCY (FSA)

Mr. Boyd Critchfield, FSA, reported that all counties are registering farmers and ranchers for commodity bases for the Agricultural Commodity Transition Act portion of the Farm Bill. Congress has passed a bill to give relief to the western states for drought losses. There will be provisions in the bill for losses sustained by livestock producers as well. FSA has established emergency conservation measures that will share the cost of hauling water, improving seeps and spring and, deepening wells to lessen the impact of the drought. They are asking each FSA office to prepare reports on the severity of drought conditions in each county to give to the State FSA and partners Emergency Drought Committee.

TIMELY OR URGENT ITEMS FROM OTHER PARTNERS

Mr. Phil Rasmussen, Utah State University Extension reported that there are SARE grants available for farmers and ranchers. Contact him if there is interest in the grants.

Mr. Sherman Hoskins, Deputy Director, Utah Department of Natural Resources, reported that Chronic Wasting Disease has been found in one deer in eastern Utah. There will be 300-400 animals taken in the areas to test for more cases. Exotic Newcastle disease has not effected any wild game birds in Utah. A bigger problem for birds is the loss of natural habitat.

Mr. A.J. Martinez, Bureau of Land Management, reported that the Utah Partnership on Conservation meeting has been canceled because it was felt that they wouldn't have sufficient time to adequately assess current issues. The Drought assessment report is available on the BLM website. The state needs to be designated as a drought area.

AGRICULTURE RESOURCE DEVELOPMENT LOAN (ARDL) PROGRAM

LOAN AND REPAYMENT STATUS UPDATE.

Mr. Koy Page, UDAF, reported that the total legislative appropriation is \$15,805,119.00. Principal balance of loans issued is \$19,839,895.00, with \$1,810,582 being undisbursed. The total number of loans is 953, with 827 contracted and 126 pending. The average size of contracted loans is \$26,180.00. There are 30 loans that are 30 days past due, totaling \$657,376.00.

Principle repayments for FY02 were \$3,274,216.00 and for FY03 year to date is \$2,984,269.00. Interest payments for FY02 were \$578,908.00, and for FY03 year to date is \$552,236.00. Penalty payments for FY02 were \$16,685.00, and for FY03 year to date is \$5,660.00. Total payments received for FY02 were \$3,869,809.00, and for FY03 year to date is \$3,542,164.00. In FY02 there were 93 loans paid off, for year to date FY03 there has been 66. New loans booked for FY02 was 113, totaling \$6,146,906.00, for FY03 year to date there has been 36, totaling \$1,347,666.00. The average new loan size for FY02 was \$54,397.00, for FY03 year to date it is \$37,4335.00. UACD 4% TA fees paid for FY02 was \$237,229.00, and for FY03 year to date is \$53,807.00

ARDL APPLICATION

Mr. Richard Sandberg had one loan application to present for USCC consideration for Dale M. and Becky T. Rasmussen of Myton Utah. The loan amount is \$33,280.00 (includes standard 4% fee), with an existing loan commitment of \$158,287.00, bring their potential total loan commitment to \$191,567. This additional application is for a twelve-year term loan, with monthly payments of \$275.00 beginning the summer of 2003. The purpose of the loan is to finance the portion of an irrigation system not covered by grants. The project will cover 100 acres and will include three mini-pivots and two wheel lines. A first trust deed on a 26-acre parcel of land, which contains the applicants' dairy operation, is security for the loan. The applicants have a successful

dairy operation of approximately 250 cows. Their budget reflects adequate cash revenues to service all of their debt including this new loan. The project will enhance their cash flow by cutting labor costs and increasing crop yields through more efficient use of available water. **A motion to approve the loan application for Dale and Becky Rasmussen was made by Mr. Edward Bench, and seconded by Mr. Dick Saunders. The motion passed by unanimous voice vote.**

USCC, SCD & PARTNERSHIP ITEMS

LEGISLATIVE ACTION AFFECTING USCC & SCDs

Two bills passed the legislature the session just completed that impact the USCC and the state's soil conservation districts (SCD). The first was S.B. #18, which requires that any changes in SCD structure be reported to the Leutenant Governors office. The second was H.B. #173, which transfers \$500,000.00 from ARDL loan program to the Rural Rehab program.

STATE FY04 FUNDING & BUDGET FOR SCD & SCC PROGRAMS

Mr. Jake Jacobson handed out a spreadsheet showing three different budget options for the FY04 Appropriations for USCC consideration. **A motion was made by Mr. Richard Saunders or accept option #3 (see handout), seconded by Mr. Bill Rasmussen. The motion passed by unanimous voice vote.**

ISSUE THAT MIGHT WARRANT 2004 SCC & SCD STATE LAW CHANGE

Mr. Jake Jacobson reported that SCD budgets need to be prepared and be presented at a formal hearing prior to the start of a new fiscal year, which starts July 1st. This will require some minor adjustments to USCC Policy for SCDs. There might be a need to consider amendments to the SCD law. It has been several years since the law was revised. He indicated that neighboring states are changing the names of their districts to conservation districts or natural resource conservation districts. Colorado just changed to conservation districts. Utah might want to consider this change. There was some concerns expressed about opening up the law for changes, least changes be made that the districts wouldn't want. Commissioner Peterson indicated that there are ways to guard against that. It was asked when the law would be reviewed again through the Sunset Review process. That was not known at this time. It was suggested that that be discovered and that potential law changes be considered later. This would be addressed at the next meeting in May.

FY2004 SCC TECHNICAL ASSISTANCE (TA) PROJECT GRANT PROGRAM

FY04 TA APPLICATION SUMMARY REVIEW & ALLOCATION

Mr. Jake Jacobson handed out a report, which showed the statewide and separate SCD Technical Assistance (TA) applications for FY2004 by the SCDs. There is \$95,600.00 set aside for TA requests. Staff recommended that \$1,000.00 be held for an SCD in Zone 4 to host the 2004 Conservation Field Day if they so chose, and \$5,000.00 be set aside for a state-wide reserve, leaving \$89,600.00 to be distributed equally between the seven Zones. **A motion was made by Mr. Phil Rasmussen to allocate \$1,000.00 for the Conservation Field Day and \$5,000.00 for a reserve for special projects, seconded by Mr. Edmond Bench. The motion passed unanimously by voice vote. A motion was made to allocate the remaining funds equally to the seven Zones for SCD requests by Mr. Bill Rasmussen, and seconded by Mr. Ralph Staheli. The motion passed unanimously by voice vote.**

OTHER ITEMS

2003 ANNUAL UTAH CONSERVATION FIELD DAY

Mr. Edmond Bench reported on plans for the 2003 Conservation Field Day to be held in the Duchense SCD May 22. There will be a banquet & local entertainment the night before. The next day there will be a tour to Bureau of Reclamation project starting at Rock Creek Reservoir. If the national security alert status changes there will be a tour inside the dam. The tour will continue to different salinity projects and canal lining projects.

CALENDAR OF FUTURE EVENTS

Next two SCC meetings: May 21 at Roosevelt & July 15 at SLC
2003 Utah Conservation Field Day: May 22 in Duchesne SCD
2003 NPS conference – Sept 3-4 in Garden City, Rich County
NACD SW & Pacific Combined Regional Meeting & 4th Annual Western Conservation District Meeting
Sept 7-10, 2003 in Colorado Springs CO

ADJOURNMENT

The meeting was adjourned at 4:36 P.M.

Sherie Edginton, Soil Conservation Program Secretary

K.N. “Jake” Jacobson, USCC Administrative Officer